GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4972
ANSWERED ON:10.05.2007
SETTING UP OF LNG TERMINAL AT ENNORE
Sugavanam Shri E.G.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government of Tamil Nadu has sent a proposal to the Union Government for setting up of Liquefied Natural Gas (LNG) Terminal at Ennore, Chennai;

(b) if so, the details, the estimated cost and its present status thereof; and

(c) the time by which the LNG Terminal is likely to be set up?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SHRI DINSHA PATEL)

(a) to (c) Yes, Sir, Government of TamilNadu have been requesting for setting up of LNG Terminal at Ennore.A 2.5 MMTPA capacity LNG terminal expandable to 5MMTPA is proposed to be set up at Ennore by Indian Oil Corporation. Capital expenditure, excluding financing cost, for initial capacity of 2.5 MMTPA works out to US $ 338 millions as on August, 2005.Techno commercial feasibility study has been completed, heads of agreement have been signed with potential customers, draft MoU regarding fiscal incentive for the project and gas transmission pipelines has been discussed with Government of Tamil Nadu and draft MoU for allotment of land and other facilities has been discussed with Ennore Port Limited and TIDCO. A suitable land adjacent to Ennore Port has also been identified. Investment decision will be taken after long term tie up of LNG.Although the project can be completed in 57 months, the target date for setting up the terminal can be decided only after long term tie up of LNG for the project.